

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE
OF THE STATE OF IDAHO**

STATE OF IDAHO, Department of)	
Finance, Securities Bureau,)	Docket No. 2005-7-14
Complainant,)	
)	
vs.)	AGREEMENT AND ORDER
)	
Mark Deaton,)	
Respondent)	
_____)	

The Director of the Department of Finance has investigated the securities activities of Respondent Mark Deaton. Pursuant to said investigation, it appears to the Director that violations of the Uniform Securities Act (2004), Idaho Code §30-14-101 et seq., have occurred. The Director and Respondent have agreed to resolve this matter without a public hearing. Therefore, the Director deems it appropriate and in the public interest that this Agreement and Order be entered. Respondent consents to the entry of this Agreement and Order.

RESPONDENT

1. Mark Deaton ("Deaton") is president of American Gold and Silver International ("AGSI, LLC") and is doing business at 1025 Shoshone Street North, Suite 1, Twin Falls, Idaho.

FINDINGS OF FACT

2. Deaton mailed out solicitation letters in which he offered to sell investment interests in AGSI, LLC. Deaton represented in his letter that a \$25,000 investment would earn a 37% annual return.

3. Six prospective investors contacted Deaton and requested additional information about his investment opportunity.

4. Deaton has not sold any investment interests in AGSI, LLC.
5. The offering proposed by Deaton was not exempt from registration under sections 30-14-201 through 30-14-203, Idaho Code, nor was the offering registered under the Uniform Securities Act (2004) (“Act”).
6. Deaton was not registered as an agent to transact business in this state nor was he exempt from registration as an agent.
7. Deaton failed to disclose to potential investors the following information:
 - a. The investment offering was not registered or exempt from registration;
 - b. Deaton was not registered to transact securities business in this state nor was he exempt from registration as an agent; and
 - c. The potential risks associated with the investment.

FINDINGS OF VIOLATIONS

8. Idaho Code §30-14-301 provides that it is unlawful for any person to sell or to offer to sell any security in this state unless: (a) the security is a federal covered security; b) the security, transaction or offer is exempted from registration under sections 30-14-201 through 30-14-203, Idaho Code; or c) the security is registered under this chapter.
9. A violation of Idaho Code §30-14-301 occurred in that Deaton did not register the security and is not asserting any exemptions from the registration requirements of the Act.
10. Idaho Code §30-14-402(a) provides that it is unlawful for any individual to transact business in this state as an agent unless the individual is registered under this chapter as an agent or is exempt from registration as an agent as provided in §30-14-402(b).
11. A violation of Idaho Code §30-14-402(a) occurred in that Deaton was not registered as an agent to transact business in this state nor was he exempt from registration as an agent.

12. Idaho Code §30-14-501 provides that it is unlawful for any person, in connection with the offer, sale or purchase of any security, directly or indirectly, to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading.

13. Respondent violated Idaho Code §30-14-501 in that he failed to inform potential investors: 1) that the security was not registered or exempt from registration requirements; 2) that he was not registered to transact business in Idaho nor was he exempt from registration as an agent; and 3) of the potential risks associated with the investment.

REMEDIES

14. Respondent represents that he provided full and accurate disclosure of all material facts relating to the Complainant's inquiry into this matter.

15. Respondent admits the allegations contained in this Agreement and Order.

16. Respondent agrees to comply with all provisions of the Act in the future.

17. Respondent agrees to immediately discontinue all securities activities in Idaho until appropriate registration and licensing is obtained.

18. Respondent agrees to obtain written approval from Complainant prior to transacting any securities business in this state for a period of twelve months following the execution of this Order.

19. Respondent acknowledges and agrees that Complainant may use the violations alleged herein against Respondent in any subsequent proceeding, in the event that Respondent violates this Order or the Act during the twelve months following the execution of this Order.

DONE AND DATED at Boise, Idaho this 4th day of August, 2005.

MARK DEATON

Name: Mark Deston

Marilyn T. Chastain
MARILYN T. CHASTAIN
Bureau Chief, Securities Bureau
Department of Finance, State of Idaho

IT IS SO ORDERED this 24th day of August, 2005.

Gavin Gee
GAVIN M. GEE
Director of Finance



Name: Mark Destan

Marilyn T. Chastain
MARILYN T. CHASTAIN

Bureau Chief, Securities Bureau
Department of Finance, State of Idaho

IT IS SO ORDERED this _____ day of August, 2005.

GAVIN M. GEE
Director of Finance